

DRAFT
27 June 1973

DCI RESOURCE REVIEW
Proposed Operating Plan

Introduction

1. This paper proposes an operating plan designed to help the DCI accomplish the intelligence community program and resource review tasks assigned to him by the President in November 1971. The plan assumes that the DCI will chair a vigorous Intelligence Resources Advisory Committee (IRAC) which will assist him in developing a coherent National Intelligence Program and Budget. The plan calls for the DCI and IRAC to undertake certain recurring actions which are outlined below.

Objectives

2. In January of each year, the DCI will issue a set of national intelligence objectives. These objectives will usually be attainable within a one to two year period, and they will form the basis for individual program objectives. Progress in meeting both the DCI objectives and the objectives of individual program managers will

be monitored by DCI/IRAC on a quarterly basis.

Planning Guidance/Conference

3. Planning Guidance will be drafted by the IC Staff for the DCI by December of each year. The Staff will consult with program managers and other senior officials in the course of its preparation and present the draft to the IRAC Working Group for comments. The Planning Guidance will reflect the DCI objectives and the principal recommendations contained in the NIPM. It will forecast priorities and identify intelligence needs, gaps, and trends. It may also suggest areas for study by departments or agencies. Normally, it will not address specific fiscal levels for programs. However, the fiscal and manpower assumptions on which the guidance is based will be evident and generally in harmony with fiscal guidance provided to the respective intelligence program managers by OMB or Departmental Authorities.

4. The DCI expects to chair a Planning Conference during the first quarter of each year. Conference participants will include key principals and, as appropriate to the subject matter, may include intelligence community program managers or service chiefs and the D/DCI/IC. During

this conference, operating strategies and issues arising from the DCI's national intelligence objectives which have an impact on the planning period will be reviewed, discussed and clarified. A program of study and action to implement the planning guidance should result from the conference.

Fiscal Guidance

5. During January and February of each year, the DCI/IC Staff plans to work with CIA, with DOD's ASD(I), ASD(C), and Deputy Director for Plans and Evaluation (DDR&E), and with the program managers as appropriate in developing substantive intelligence criteria for fiscal guidance for all national intelligence entities and intelligence related activities.

Special Studies

6. Two types of studies will be undertaken in support of DCI/IRAC program and issue evaluation functions, cross-program studies and ad hoc issue studies. The first type -- cross-program studies -- will address the community's mix of programs, performance, and costs in connection with specific intelligence targets. The DCI has directed that, in general, task teams from existing

agencies or mechanisms will consider such issues which will be few in number. The analytic approach will stress evaluation and will consider:

(1) The current and projected intelligence task(s) for the next several years;

(2) An identification of the intelligence resources deployed against these tasks, their costs, and their relative effectiveness;

(3) Major gaps in intelligence coverage and proposed alternatives for eliminating such deficiencies;

(4) Changes in emphasis that could alter the picture, including technological options in collection or analytical programs; and

(5) The development of collection strategies and options in the allocation of resources together with the funding and manpower implications such strategies and options would involve.

7. Each task team will include substantive experts from those elements within the community most closely associated with the matter under study. The DCI/IC and ASD(I) will provide working space and support. Team chairmen will be determined by the principals involved and/or in consultation with IRAC. Team conclusions will not affect a parent agency's option to disagree with the findings and/or to have its objections stated to the DCI/IRAC and included in formal reports.

8. Task team studies will provide an important input to DCI/IRAC considerations connected with setting resource priorities, performance standards, and budgetary recommendations. Task teams will report to DCI/IRAC as frequently as necessary. Studies should normally be completed in time to be useful to DCI/IRAC in the resource decision process.

9. The second type of study -- the ad hoc issue study -- will grow out of issues which arise from time to time in the course of normal operations. Analysis of such ad hoc issues can also provide the basis for resource decisions. The DCI/IC Staff will participate where appropriate. Issues falling into this category might include:

- a. An issue within the particular study competence of a USIB Committee;
- b. A relatively small, resource-related issue which generally would not cut across more than one program. Such an issue might best be handled informally by a DCI/IC Program Team, ASD (I)'s staff, and/or OMB, working through the programming mechanism of the agency involved;
- c. Cross-program analysis directed at qualitative or quantitative assessments in such matters as manpower productivity, training, security, and management systems.

Program Reviews

10. The DCI must have an effective means for reviewing the activities of the intelligence community in order to identify and assist in the resolution of major intelligence program issues, to recommend the appropriate

allocation of resources, and prepare a National Intelligence Program Memorandum for the President. A thorough understanding of community activities and their related costs is essential. This will require participation -- including specific inputs -- by DCI representatives in the several review processes of the Departments and Agencies and provision of direct support to the DCI in his role as Chairman of IRAC and EXCOM.

11. The DCI/IC Staff will be responsible for participating in these program and budget reviews. One or two man DCI/IC program teams have been specifically identified to intelligence program managers, accredited to their respective areas, and provided with necessary clearances. The teams will be involved in each step of the review process for all National Intelligence Programs, and they will work with ASD(I) on DOD's intelligence related activities and with CIA and State. Team members will develop the DCI's position on program issues through appropriate mechanisms, including USIB. They will also be responsible for data on their respective programs required for IRAC, and they will participate in drafting and coordinating Planning Guidance, Congressional

Presentations, and the National Intelligence Program Budget provided to the President through OMB each fall. Team leaders will represent the DCI in their coverage and will have access to the program and resource information needed to respond to the President's directives. The program teams will also assist in the maintenance by the DCI of a management information center in which study results, information displays, etc., will be available for use by the DCI and appropriate community officials.

DCI/IRAC Program Reviews

12. The DCI/IRAC will be kept informed of the status of intelligence programs at key decision points in the program/budget review process -- August, November, February and May. Every effort will be made to avoid conflicts with the timing of existing reviews. The Chairman of the IRAC Working Group will provide requirements, format, and timing for presentations by Program Managers after consulting with ASD(I), OMB and the planning and comptroller representatives of the various programs.

13. In general, the DCI will ask program managers to present to the IRAC quarterly statements of priorities and objectives and periodic status reports on progress.

Significant short falls should be explained, and alternative program and resource strategies to overcome them should be suggested. Major categories of output and the principal consumers of that output should be identified. Steps taken to determine consumer needs and to ascertain the degree of consumer satisfaction should be outlined. The presentations should identify resource issues of consequence to the DCI objectives. They should also address progress on ad hoc studies. (The IRAC Working Group will monitor progress on task team cross-program studies.) The presentations should include descriptions of current year program, financing, and manpower plans, and these should be related to objectives and performance milestones. These sessions should also be useful for discussing specific management strategies and for developing subject matter for more concentrated attention at the DCI's spring Planning Conference.

Budget and Appropriation/Appportionment Reviews

14. DCI/IC program team members will attend budget review sessions. This will help assure DCI inputs and appropriate involvement in last minute adjustments resulting from Congressional appropriation

action on the current year budget or from executive branch or departmental decisions affecting program levels, personnel, or organization for the budget year. If Congressional action on community appropriation requests has significant resource implications, a special meeting of IRAC can be called by the DCI to consider options and trade-offs available. The DCI will confer with OMB and the Secretary of Defense on any substantive changes in program mix he believes should be considered prior to apportionment action by OMB.

National Intelligence Program Memorandum or
Budget (NIPM)

15. The President's November 1971 directive charged the DCI with providing "an annual detailed review of the needs and performance of the intelligence community." Pursuant to this directive, the DCI/IC Staff will prepare a NIPM or Budget for DCI approval during the final quarter of each year. In the course of its preparation, the Staff may discuss its focus with IRAC members and incorporate appropriate conclusions of special studies.

16. In broad terms, the NIPM or Budget will provide a substantive input to the resource allocation process. It will be a vehicle for expressing DCI views on priorities, needs, performance, and resource levels. The NIPM will be forwarded to the President through the Director, OMB.


DCI Intelligence Memorandum

17. The DCI Intelligence Memorandum will be a brief, personal report by the DCI to the President. The content and timing of this communication will be designed to focus Presidential attention on optional National Intelligence Program levels and selected substantive intelligence issues. The report will comment only on matters which require Presidential attention or guidance.

DCI Congressional Presentation

18. The DCI/IC Staff will prepare the DCI's presentation to Congress on the National Intelligence Program. The format and content of the speech will be patterned after the desires of the DCI and the Congressional Committees. It will provide Congress with a view of costs, performance,

and objectives of the various programs as they are presented
in the President's budget.


Intelligence Community Comptroller

25X1